

## Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07  
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USIA-06 AID-05 ACDA-12 TRSE-00 HA-05 OMB-01 IGA-02  
/086 W

-----104394 312032Z /53

R 311820Z JAN 78

FM AMEMBASSY ASUNCION

TO SECSTATE WASHDC 2157

INFO USCINCSO

C O N F I D E N T I A L SECTION 1 OF 2 ASUNCION 0417

E.O. 11652: GDS

TAGS: MASS, PA

SUBJ: US-LATIN AMERICAN MILITARY RELATIONS

REF: STATE 306726

1. SUMMARY: THE PARAGUAYAN MILITARY IS A HIGHLY INFLUENTIAL ELEMENT IN THE LOCAL POLITICAL SCENE. TIES WITH THE U.S. MILITARY ARE GOOD AND ARE USEFUL IN ADVANCING BROAD U.S. INTERESTS ALTHOUGH THE U.S. HAS LIMITED SECURITY INTERESTS IN PARAGUAY. RETENTION OF THE OFFICE OF DEFENSE COOPERATION (ODC), BACKED BY IMET AND FMS CREDIT PROGRAMS WILL MEET THE MUTUAL NEEDS OF U.S. AND HOST COUNTRY MILITARY. PARAGUAY HAS ALREADY BEGUN PURCHASING ARMS FROM THIRD COUNTRIES AND WE EXPECT THIS TREND TO BECOME MORE PRONOUNCED IN THE FUTURE. THE USG SHOULD DO NOTHING TO SUPPORT, OR GIVE ADVICE REGARDING SUCH PURCHASES. END SUMMARY.

A. MILITARY TIES AND U.S. SECURITY NEEDS.

2. IN PARAGUAY THE MILITARY ESTABLISHMENT PROVIDES MAJOR SUPPORT FOR THE REGIME OF PRESIDENT STROESSNER. GENERAL STROESSNER RETAINS AN ACTIVE MILITARY ROLE AND SERVES AS COMMANDER-IN-CHIEF IN FACT AS WELL AS IN TITLE. IT FOLLOWS THAT SOME FORM OF  
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U.S. MILITARY TIES WITH THE PARAGUAYAN MILITARY ARE USEFUL IN ADVANCING U.S. INTERESTS. HISTORICALLY, SUCH TIES HAVE BEEN CONTINUOUS SINCE 1942.

3. THERE ARE NO IMMEDIATE U.S. MILITARY SECURITY INTERESTS IN THIS SMALL, LANDLOCKED NATION WHOSE FUTURE IS LARGELY DEPENDENT ON TWO POWERFUL NEIGHBORS, ARGENTINA AND BRAZIL.

HOWEVER, IT IS WITHIN OUR OVERALL REGIONAL INTEREST TO ENCOURAGE THE EVOLUTION OF A MODERN STATE WHICH IS POLITICALLY AND ECONOMICALLY PROGRESSIVE, WELL DISPOSED TOWARDS THE U.S. AND NOT A SOURCE OF INSTABILITY IN THE AREA. CONTINUED MILITARY TIES CAN HELP ADVANCE AND PROTECT THIS GENERAL INTEREST AS WELL AS PROMOTE GREATER RESPECT FOR HUMAN RIGHTS, GAIN SUPPORT FOR U.S. POSITIONS IN INTERNATIONAL FORA AND FOR THE SUPPRESSION OF NARCOTICS TRAFFICKING, AND ADVANCE U.S. ECONOMIC AND COMMERCIAL INTERESTS.

B. PRESENT STATE OF MILITARY RELATIONSHIPS.

4. CURRENTLY MILITARY TIES ARE GOOD ALTHOUGH THEIR FUTURE IS SOMEWHAT OBSCURE. THE PARAGUAYAN MILITARY ESTABLISHMENT IS BEGINNING TO FEEL THAT CUTBACKS IN U.S. MILITARY ASSISTANCE PROGRAMS REFLECT A CHANGE IN THE U.S. POLICY. THEY LINK THE CUTBACKS TO DIFFERENCES BETWEEN THE TWO COUNTRIES OVER HUMAN RIGHTS. THESE PERCEPTIONS, COUPLED WITH THE PRESSURE OF LARGE, ACTIVE ARGENTINE AND BRAZILIAN MILITARY MISSIONS, WILLING AND ABLE TO SUPPLY MILITARY ITEMS AND TRAINING, WILL HAVE AN INFLUENCE ON FUTURE RELATIONSHIPS.

5. NOTWITHSTANDING A GROWING SENSE OF UNEASE, THE PARAGUAYAN MILITARY STILL CONSIDERS THE PRESENCE OF OUR THREE MAN ODC HIGHLY DESIRABLE EVEN THOUGH THEY ARE NOT BENEFITTING FROM IT MATERIALLY AT LEVELS ENJOYED IN THE PAST. THIS IS EVIDENCED  
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BY THE FACT THAT THEY HAVE BEEN WILLING TO CONTINUE PAYING MOST OF ODC'S LOCAL SUPPORT COSTS, LARGELY BECAUSE OF THE SYMBOLIC VALUE TO PARAGUAY OF A RESIDENT AMERICAN MILITARY MISSION. TO THE PARAGUAYAN MILITARY, THE U.S. MILITARY PRESENCE - TOGETHER WITH THAT OF ARGENTINA AND BRAZIL - DEMONSTRATES THE INTERNATIONAL IMPORTANCE OF THEIR COUNTRY.

6. AS LONG AS THE ODC IS PERCEIVED TO BENEFIT THE PARAGUAYAN MILITARY AND THE PARAGUAYAN GOVERNMENT, PREFERABLY MATERIALLY BUT AT LEAST SYMOOLICALLY, AN IMPORTANT CHANNEL OF COMMUNICATION AND INFLUENCE IS AVAILABLE TO COMPLEMENT EFFORTS BY THE CHIEF OF MISSION TO FURTHER U.S. GOALS. THIS IS ODC'S GREATEST, CURRENT UTILITY.

C. ACTIONS TO MEET MUTUAL NEEDS OF U.S. AND PARAGUAYAN MILITARY.

7. CONTINUED SUPPORT OF THE IMET PROGRAM SERVES TO IMPROVE THE TECHNOLOGICAL BASE OF THE COUNTRY, REDUCES THE PROVINCIALISM OF THE OFFICER CORPS AND CAN PRODUCE A BETTER UNDERSTANDING OF U.S. POLICIES AMONG THE MILITARY. FOR THESE REASONS IT SHOULD BE RETAINED.

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C O N F I D E N T I A L SECTION 2 OF 2 ASUNCION 0417

(A) THE IMET PROGRAM CAN SERVE U.S. AND PARAGUAYAN INTERESTS BY PROVIDING SUPPORT AND ADVICE IN THE FORM OF TRAINING OR TRAINING TEAMS IN THE FIELDS OF MILITARY CONSTRUCTION, LOGISTICS MANAGEMENT, STRATEGY AND TACTICS. IT IS THROUGH THIS PROGRAM THAT U.S. TIES BEST SERVE THE PARAGUAYAN MILITARY'S INTERESTS.

(B) RECENT REINSTATEMENT OF A SMALL FMS CREDIT PROGRAM CAN PROVIDE PARAGUAY THE OPPORTUNITY TO BUDGET FOR AND SECURE SOME MAJOR END ITEMS OF U.S. EQUIPMENT. THE CREDIT WILL BE USED MAINLY TO PURCHASE ENGINEER CONSTRUCTION EQUIPMENT AND SHOP MACHINERY, TOOLS AND EQUIPMENT FOR THE AIR FORCE, ITEMS WHICH SUPPORT THE MILITARY'S ROLE IN NATION-BUILDING.

D. ROLE OF PERSONNEL EXCHANGE PROGRAMS.

8. EXPERIENCE HERE SHOWS THAT THOSE PARAGUAYAN MILITARY WHO HAVE HAD THE OPPORTUNITY TO VISIT THE U.S. RETURN WITH VERY FAVORABLE IMPRESSIONS OF ALMOST EVERY ASPECT OF LIFE IN THE U.S. ALTHOUGH LONG TERM BENEFITS ARE IMPOSSIBLE TO MEASURE, IT IS KNOWN THAT PRESIDENT STROESSNER HIMSELF STILL REMINISCES ABOUT HIS DAYS AT FORT LEAVENWORTH. IN THE ABSENCE OF A GRANT AID MATERIAL PROGRAM, IMET CAN INFLUENCE PARAGUAY'S MILITARY IN A WAY FAVORABLE TO U.S. INTERESTS. THIS SHOULD INCLUDE AS  
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MUCH EXPOSURE AS POSSIBLE TO THE U.S. BY THE PARAGUAYAN OFFICER CORPS, FROM WHICH WILL COME THE FUTURE LEADERS OF THE COUNTRY.

E. U.S. ROLE IN THIRD COUNTRY SALES

9. IN THE ABSENCE OF U.S. ARMS SALES, IT IS FELT THAT THE U.S. WOULD NOT SERVE EITHER ITS OWN OR PARAGUAY'S INTERESTS BY SUPPORT AND ADVICE CONCERNING TYPES OF EQUIPMENT TO BE PURCHASED FROM THIRD COUNTRIES, NOR IS IT CONSIDERED ADVISABLE THAT THE U.S. MILITARY REPRESENTATIVES PLACE THEMSELVES IN SUCH A POTENTIALLY EMBARRASSING POSITION.

F. TRENDS IN THIRD COUNTRY ARMS PURCHASES.

10. THE CURRENT U.S. HOLD ON MILITARY ARMS SALES TO PARAGUAY WILL SOON FORCE PARAGUAY TO PURCHASE REPLACEMENT ARMS AND SPARE PARTS FROM THIRD COUNTRY SUPPLIERS. ALSO MAJOR END ITEMS AND SYSTEMS WILL BE PURCHASED FROM ABROAD IF U.S. RESTRICTIONS REMAIN IN FORCE. AS AN EXAMPLE, HEAVY CONSTRUCTION EQUIPMENT IS NOW BEING PROCURED FROM SOUTH AFRICA, VARIOUS TYPES OF NON-U.S. AIRCRAFT HAVE BEEN INVESTIGATED AS REPLACEMENTS FOR THE AGING FLEET OF C-47'S, AND A NEW FAMILY OF SMALL ARMS IS UNDER CONSIDERATION TO REPLACE AN AMAZING COLLECTION OF ANTIQUE WEAPONS NOW IN SERVICE.

G OTHER COMMENTS.

11. THE CONSTANT DECLINE IN WORKLOAD ASSOCIATED WITH THE CUT-BACK IN THE MILITARY ASSISTANCE PROGRAM IN PARAGUAY RAISES QUESTIONS ABOUT WHETHER THE PRESENT ODC ORGANIZATION SHOULD BE RETAINED, BOTH AS TO GRADE LEVELS AND NUMBER OF MILITARY OFFICERS (3). WE CONSIDER RETENTION OF PRESENT GRADELEVELS  
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TO BE NECESSARY IF WE ARE TO MAINTAIN ACCESS TO THE HIGHEST LEVELS OF THE PARAGUAYAN MILITARY ESTABLISHMENT. LOWERING THE GRADE STRUCTURE WITHIN THE ODC WOULD INHIBIT THE ACCEPTANCE OF ITS MEMBERS BY THE PARAGUAYAN MILITARY LEADERSHIP; AND IF THE RESIDUAL ODC FUNCTIONS WERE TURNED OVER TO CIVILIANS, THIS CHANNEL OF COMMUNICATIONS WOULD EFFECTIVELY BE CLOSED.

12. THE DAO AND ODC HAVE MANY OF THE SAME CONTACTS, BUT THEIR RELATIONSHIPS WITH THE PARAGUAYAN MILITARY ARE SUBTLY DIFFERENT AND COMPLEMENTARY, AND WE DO NOT BELIEVE DAO (WITH ITS EMPHASIS ON INTELLIGENCE COLLECTION) COULD ASSUME ODC'S CONTACT RESPONSIBILITIES.

13. FOR THE FOREGOING REASONS, I WOULD RECOMMEND THAT THE  
ODC BE MAINTAINED WITH U.S. FUNDS IF THE ASSISTANCE IN KIND  
PROVIDED BY THE GOP WERE STOPPED.  
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## Message Attributes

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